

**LICENSING PROCEDURES
FOR NONRESIDENT
INSURANCE AGENTS
TO OBTAIN AUTHORITY
IN VIRGINIA**

December 2003

OBTAINING A NONRESIDENT LICENSE

- A. Individual applicants must be at least 18 years of age.
- B. Any license that can be issued to a resident agent can also be issued to a nonresident agent. No examination is required for nonresident licenses.
- C. You must submit a Virginia Individual Application (PIN3001) Form or a NAIC Uniform Application for Individual Nonresident License Form along with a nonrefundable license application fee in the form of a certified check, bank or teller's check, insurance company's check or money order for \$15 made payable to:

TREASURER OF VIRGINIA, SCC/BOI

- D. When using a NAIC Uniform Application for Individual Nonresident License Form you may apply for more than one license type on the same application; however, there is a nonrefundable \$15 fee per license type.
- E. Also submit a current (no more than 90 days old) certification from your state or province of domicile (residence) indicating that you are licensed to sell, solicit, or negotiate the classes of insurance (i.e., similar type license/authority) for which the license is being sought in Virginia. If you reside in a state that bases resident licensing on your principal place of business, and you work in another state where you are licensed as a resident, you must submit a certification from that state.
- F. In order to obtain a nonresident license, you must appoint the Clerk of the Commission the agent for service of process in any action or proceeding arising in this Commonwealth out of or in connection with the exercise of this license. (See Part 5 of the PIN3001 license application)
- G. Nonresident applicants that have been convicted of (or pled guilty or nolo contendere) to a violation of law, other than a minor traffic violation, must provide a certified copy of the court order regarding any convictions arising from the trial proceedings. You must include a letter explaining the circumstances surrounding the offense, and if applicable, a letter from the federal or state probation and parole office outlining your performance or satisfactory completion of your probationary period.

ONCE YOU RECEIVE YOUR LICENSE

- A. You may solicit applications for any company authorized in Virginia for classes of insurance covered by the agent's license.

B. You must obtain at least one appointment by an insurance company within six months upon issuance of the license. Failure to do so will cause automatic termination of your license. You must at all times hold at least one active appointment in order to keep your license in effect. At any time when a period of six months elapses without an active appointment in effect under your license, your license will terminate pursuant to statutory requirements.

C. An insurance company must appoint you within 30 days of the date of execution of the first application submitted by you to the company. If you do not receive from the Bureau of Insurance (Bureau) an acknowledgment of the appointment card within 45 days from the date of execution of the first application submitted to the insurance company, then you must **immediately** discontinue any soliciting of insurance on behalf of that insurance company until such acknowledgment is received. Any further solicitation after the 45 days would constitute a violation of Virginia law.

D. Your contract with the insurance company is NOT an appointment. An appointment is a formal notification from the insurer to the Bureau, for which the company pays a \$14 fee. Simply having an employment contract or agent contract with an insurance company does not satisfy this requirement, and would place both the insurer and the agent in violation of Virginia law.

E. Appointments must be renewed annually by June 30. This is done by the insurance company. If the company fails to renew the appointment, or terminates the appointment at any time, the company must notify you in writing within **five** days. Once you receive such notice, you must immediately cease soliciting applications on behalf of that insurer. The Bureau will **NOT** notify you of appointment cancellations. The only exception is when the last appointment under the license is canceled. In this case, the Bureau will notify you that you have six months to obtain another appointment or lose your license. Whether or not you receive such notice, it is **YOUR** obligation to keep track of your appointment status and to keep your license in force.

F. Your license will remain in an “active” status unless surrendered, terminated, suspended, or revoked, as long as your license in your state or province of domicile (residence) remains in an “active” status, and as long as you keep one appointment in effect under the license(s). Termination, revocation, suspension, or cancellation of your license in your state or province of domicile (residence) automatically terminates your Virginia license.

CONTINUING EDUCATION

Virginia has a biennial Continuing Education (CE) requirement for all agents holding one or more of the following license types:

Life and Annuities	-	Type 007
Health	-	Type 008
Life and Health Consultant	-	Type 059
Property and Casualty	-	Type 030
Personal Lines	-	Type 032
Property and Casualty Consultant	-	Type 058
Title	-	Type 033

The CE program in Virginia is NOT administered by the Bureau. A separate entity, known as the Virginia Insurance Continuing Education Board, is responsible for development and administration of the CE program. The Board, in turn, has contracted with Experior Assessments, LLC, for operation of the program.

For further information on Virginia's CE program, including reciprocity information, or to obtain a copy of Virginia's Continuing Education Information Handbook, call Experior at 1-800-482-2366, or you may use Experior's website at www.experioronline.com/vace.htm.

MISCELLANEOUS

A. Change of Name or Address

Each licensed agent is required by law to notify the Bureau in writing within 30 days of any change of residence or name. When notifying the Bureau of such changes, please be certain to include the following:

- Social Security Number/FEIN
- Name
- Old address/New address
- Copy of divorce decree, if applicable, when changing from current name to a previous name
- Copy of certificate from Clerk of the Court, Bureau of Vital Statistics, etc., when making formal name change

A Service Request Form may be obtained from our website at www.state.va.us/scc/division/boi/webpages/licenseforms/5001new.pdf. This form must be signed by the agent or, if applicable, the officer of principal of the agency. Upon receiving a service request form regarding a change of address, the Bureau of Insurance will update our system and generate an acknowledgement letter that will reflect your new resident address. If you do not receive an acknowledgement letter within 30 days of submitting your change of address, you should contact the Bureau of Insurance again.

B. Assumed or Fictitious Names

Any person or entity (corporation, partnership, or limited liability company) conducting the business of insurance in this Commonwealth under an assumed or fictitious name is required to notify the Bureau, in writing, either at the time the application for a license is filed or at the time the assumed or fictitious name is adopted.

C. Felony Conviction

An agent (resident or nonresident) is required by law to report to the Bureau of Insurance within 30 calendar days the facts and circumstances regarding a conviction of or pleading guilty or nolo contendere to any felony offense.

D. Administrative Actions

An agent (resident or nonresident) is required by law to report to the Bureau of Insurance within 30 calendar days the final disposition, to include a copy of the order, consent to order, and/or other relevant legal documents, of any administrative action taken against him in another jurisdiction or by another governmental agency.

AGENCY LICENSING

Virginia law (§ 38.2-1836) allows the Bureau to issue a nonresident license to a corporation, limited liability company, or partnership only if the state of domicile of the corporation, limited liability company, or partnership would issue a similar license to a Virginia corporation, limited liability company, or partnership.

A nonresident corporation, limited liability company, or partnership seeking an agency license in Virginia must submit:

- A Virginia Agency Application (PIN4052) Form or a NAIC Uniform Application for Business Entity Nonresident License Form; and
- The nonrefundable license application fee in the amount of \$15 per license type; and
- A copy of the “certificate of authority” issued by the Clerk of the Commission. The “certificate of authority” is the document authorizing the corporation, limited liability company, or partnership to conduct business in the Commonwealth of Virginia. Information on obtaining a “certificate of authority” is available by contacting the Clerk’s Office at (804) 371-9733; and
- A **CERTIFICATION** (dated no more than 90-days prior to the date of the application) from the insurance department where the agency is incorporated/organized or where the principal office is located. The **CERTIFICATION** must indicate that the agency is licensed to act as an insurance agent for the same type(s) of insurance in that state.

INSTRUCTIONS FOR AGENTS MOVING TO VIRGINIA

A. All licensed individuals moving into Virginia are requested to contact the Bureau of Insurance to obtain a copy of the *Licensing Information Bulletin*, which contains detailed information on requirements for licensing. The instructions in the Bulletin must be followed in addition to the information furnished here.

B. Anyone that has been licensed in his or her state or province of domicile (residence) moving to Virginia, but not holding a nonresident Virginia agent license, may submit the application to become a resident agent along with the nonrefundable license processing fee within 90 calendar days of establishing legal residence in Virginia. No preclicensing examination is required to obtain any line of authority previously held in the prior state except where the Commission determines otherwise by regulation. Anyone who fails to submit the application and nonrefundable license processing fee within 90 calendar days of establishing legal residence in Virginia will be required to satisfy all resident agent preclicensing requirements in order to be issued a license.

In addition, you must submit a clearance letter from the insurance department in your former state of residence.

C. An agent with an active nonresident Virginia license will be granted a period of 90 days from his/her date of Virginia residency, during which time he/she may continue to operate under his/her nonresident license while applying for a resident Virginia license(s). Appointments made under the nonresident license will remain in effect during the 90-day period, unless terminated for other reasons. If the agent obtains a resident Virginia license during the 90-day period, any active appointments will automatically be converted to resident appointments when the resident license is issued. If, at the end of the 90-day period, the agent has not obtained a resident license, the equivalent nonresident license(s) and associated appointment(s) will be canceled. At such time after the expiration of the 90 days that the agent obtains a resident Virginia license, it will be necessary for the agent to secure new appointments from each insurer that the agent wishes to represent.

In addition, you must submit a clearance letter from the insurance department in your former state of residence.

D. To obtain a resident license you must submit the following:

- A Virginia Application for License (PIN3001) Form
- A clearance letter from the insurance department in your former state of residence

- A nonrefundable license application fee in the form of a certified check, bank or teller's check, insurance company's check, or money order for **\$15** made payable to:

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E. If you fail to obtain a Virginia resident license prior to the expiration of the 90 calendar days, you must attach to the application a criminal history record report from your **former** state of residence if you have **not** established a Virginia residence within the **past six months**. Otherwise, contact the Virginia State Police to obtain a criminal history record report. **If you fail to provide a current (no more than 90 days old) criminal history record report, the Bureau will refuse to issue a license to you.**

F. As soon as a resident license is issued, any equivalent nonresident license will be terminated. Restricted licenses (those not requiring an exam) may be applied for as soon as residency is established, **PROVIDED** the agent does not hold an unrestricted nonresident license of the same classification (i.e. Life and Health or Property and Casualty), because in that case we will not allow a restricted license to be issued while a nonresident unrestricted "umbrella type" license is in force.

A Virginia Licensing Information Bulletin that contains prelicensing information can be obtained by calling Experior at 1-800-856-4308 or you may view the Bulletin at www.experioronline.com/vainsurance.htm. The Bulletin is not available by fax.

You may obtain licensing forms by calling the Bureau's Interactive Voice Response (IVR) number, 804-371-9631, or you may use the Bureau's website at www.state.va.us/scc/division/boi/webpages/boiformsapplications.htm.

The NAIC's Uniform Application for Individual Nonresident License Form can be obtained from various sources. One of the ways to obtain the NAIC's uniform application form is to contact the National Insurance Producer Registry at their web site: www.licenseregistry.com/uniform_nonres_licensing.htm or by calling the NAIC at 816-842-3600.

The Bureau of Insurance will accept a properly completed NAIC uniform application form in lieu of the Virginia form, but only for license types Life and Annuities, Health, Variable Contracts, Property and Casualty, Personal Lines, Surplus Lines Broker or Limited Lines Credit.

The above information is not intended to be all-inclusive. If you have any questions or problems not addressed here, please contact the Bureau.

**Bureau of Insurance
Agents Licensing Section
P. O. Box 1157
Richmond, Virginia 23218
(804) 371-9631**